## DEPARTMENT OF TRANSPORTATION

**National Highway Traffic Safety Administration** 

Petition for Exemption from the Federal Motor Vehicle Theft Prevention Standard; American Honda Motor Co., Inc.

**AGENCY:** National Highway Traffic Safety Administration (NHTSA), Department of Transportation (DOT).

**ACTION:** Grant of petition for exemption.

366-5222. Her fax number is (202) 493-2990.

SUMMARY: This document grants in full the American Honda Motor Co., Inc.'s (Honda) petition for exemption from the Federal Motor Vehicle Theft Prevention Standard (theft prevention standard) for its Acura Integra vehicle line beginning in model year (MY) 2023. The petition is granted because the agency has determined that the antitheft device to be placed on the line as standard equipment is likely to be as effective in reducing and deterring motor vehicle theft as compliance with the parts-marking requirements of the theft prevention standard.

DATES: The exemption granted by this notice is effective beginning with the 2023 model year.

FOR FURTHER INFORMATION CONTACT: Carlita Ballard, Office of International Policy, Fuel Economy, and Consumer Programs, NHTSA, West Building, W43-439, NRM-310, 1200 New Jersey Avenue, S.E., Washington, D.C. 20590. Ms. Ballard's phone number is (202)

SUPPLEMENTARY INFORMATION: Under 49 U.S.C. Chapter 331, the Secretary of Transportation (and the National Highway Traffic Safety Administration (NHTSA) by delegation) is required to promulgate a theft prevention standard to provide for the identification of certain motor vehicles and their major replacement parts to impede motor vehicle theft.

NHTSA promulgated regulations at 49 CFR part 541 (theft prevention standard) to require partsmarking for specified passenger motor vehicles and light trucks. Pursuant to 49 U.S.C. 33106,

manufacturers that are subject to the parts-marking requirements may petition the Secretary of Transportation for an exemption for a line of passenger motor vehicles equipped with an antitheft device as standard equipment that the Secretary decides is likely to be as effective in reducing and deterring motor vehicle theft as compliance with the parts-marking requirements. In accordance with this statute, NHTSA promulgated 49 CFR part 543, which establishes the process through which manufacturers may seek an exemption from the theft prevention standard.

49 CFR 543.5 provides general submission requirements for petitions and states that each manufacturer may petition NHTSA for an exemption of one vehicle line per model year. Among other requirements, manufacturers must identify whether the exemption is sought under section 543.6 or section 543.7. Under section 543.6, a manufacturer may request an exemption by providing specific information about the antitheft device, its capabilities, and the reasons the petitioner believes the device to be as effective at reducing and deterring theft as compliance with the parts-marking requirements. Section 543.7 permits a manufacturer to request an exemption under a more streamlined process if the vehicle line is equipped with an antitheft device (an "immobilizer") as standard equipment that complies with one of the standards specified in that section.<sup>1</sup>

Section 543.8 establishes requirements for processing petitions for exemption from the theft prevention standard. As stated in section 543.8(a), NHTSA processes any complete exemption petition. If NHTSA receives an incomplete petition, NHTSA will notify the petitioner of the deficiencies. Once NHTSA receives a complete petition the agency will process

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<sup>&</sup>lt;sup>1</sup> 49 CFR 543.7 specifies that the manufacturer must include a statement that their entire vehicle line is equipped with an immobilizer that meets one of the following standards:

<sup>(1)</sup> The performance criteria (subsections 8 through 21) of C.R.C, c. 1038.114, Theft Protection and Rollaway Prevention (in effect March 30, 2011), as excerpted in appendix A of [part 543];

<sup>(2)</sup> National Standard of Canada CAN/ULC-S338-98, Automobile Theft Deterrent Equipment and Systems: Electronic Immobilization (May 1998);

<sup>(3)</sup> United Nations Economic Commission for Europe (UN/ECE) Regulation No. 97 (ECE R97), Uniform Provisions Concerning Approval of Vehicle Alarm System (VAS) and Motor Vehicles with Regard to Their Alarm System (AS) in effect August 8, 2007; or

<sup>(4)</sup> UN/ECE Regulation No. 116 (ECE R116), Uniform Technical Prescriptions Concerning the Protection of Motor Vehicles Against Unauthorized Use in effect on February 10, 2009.

it and, in accordance with section 543.8(b), will grant the petition if it determines that, based upon substantial evidence, the standard equipment antitheft device is likely to be as effective in reducing and deterring motor vehicle theft as compliance with the parts-marking requirements of part 541.

Section 543.8(c) requires NHTSA to issue its decision either to grant or to deny an exemption petition not later than 120 days after the date on which a complete petition is filed. If NHTSA does not make a decision within the 120-day period, the petition shall be deemed to be approved and the manufacturer shall be exempt from the standard for the line covered by the petition for the subsequent model year.<sup>2</sup> Exemptions granted under part 543 apply only to the vehicle line or lines that are subject to the grant and that are equipped with the antitheft device on which the line's exemption was based, and are effective for the model year beginning after the model year in which NHTSA issues the notice of exemption, unless the notice of exemption specifies a later year.

Sections 543.8(f) and (g) apply to the manner in which NHTSA's decisions on petitions are to be made known. Under section 543.8(f), if the petition is sought under section 543.6, NHTSA publishes a notice of its decision to grant or deny the exemption petition in the Federal Register and notifies the petitioner in writing. Under section 543.8(g), if the petition is sought under section 543.7, NHTSA notifies the petitioner in writing of the agency's decision to grant or deny the exemption petition.

This grant of petition for exemption considers American Honda Motor Co., Inc.'s (Honda) petition for its Acura Integra vehicle line beginning in MY 2023.

## I. Specific Petition Content Requirements under 49 CFR 543.6

Pursuant to 49 CFR part 543, <u>Exemption from Vehicle Theft Prevention</u>, Honda petitioned for an exemption for its specified vehicle line from the parts-marking requirements of

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<sup>&</sup>lt;sup>2</sup> 49 U.S.C. 33106(d).

the theft prevention standard, beginning in MY 2023. Honda petitioned under 49 CFR 543.6, Petition: Specific content requirements, which, as described above, requires manufacturers to provide specific information about the antitheft device installed as standard equipment on all vehicles in the line for which an exemption is sought, the antitheft device's capabilities, and the reasons the petitioner believes the device to be as effective at reducing and deterring theft as compliance with the parts-marking requirements.

More specifically, section 543.6(a)(1) requires petitions to include a statement that an antitheft device will be installed as standard equipment on all vehicles in the line for which the exemption is sought. Under section 543.6(a)(2), each petition must list each component in the antitheft system, and include a diagram showing the location of each of those components within the vehicle. As required by section 543.6(a)(3), each petition must include an explanation of the means and process by which the device is activated and functions, including any aspect of the device designed to: (1) facilitate or encourage its activation by motorists; (2) attract attention to the efforts of an unauthorized person to enter or move a vehicle by means other than a key; (3) prevent defeating or circumventing the device by an unauthorized person attempting to enter a vehicle by means other than a key; (4) prevent the operation of a vehicle which an unauthorized person has entered using means other than a key; and (5) ensure the reliability and durability of the device.<sup>3</sup>

In addition to providing information about the antitheft device and its functionality, petitioners must also submit the reasons for their belief that the antitheft device will be effective in reducing and deterring motor vehicle theft, including any theft data and other data that are available to the petitioner and form a basis for that belief,<sup>4</sup> and the reasons for their belief that the agency should determine that the antitheft device is likely to be as effective as compliance with the parts-marking requirements of part 541 in reducing and deterring motor vehicle theft. In

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<sup>&</sup>lt;sup>3</sup> 49 CFR 543.6(a)(3).

<sup>&</sup>lt;sup>4</sup> 49 CFR 543.6(a)(4).

support of this belief, the petitioners should include any statistical data that are available to the petitioner and form the basis for the petitioner's belief that a line of passenger motor vehicles equipped with the antitheft device is likely to have a theft rate equal to or less than that of passenger motor vehicles of the same, or a similar line which have parts marked in compliance with part 541.<sup>5</sup>

The following sections describe Honda's petition information provided pursuant to 49 CFR part 543, Exemption from Vehicle Theft Prevention. To the extent that specific information in Honda's petition is subject to a properly filed confidentiality request, that information was not disclosed as part of this notice.<sup>6</sup>

## II. Honda's Petition for Exemption

In a petition dated July 22, 2021, Honda requested an exemption from the parts-marking requirements of the theft prevention standard for the Acura Integra vehicle line beginning with MY 2023.

In its petition, Honda provided a detailed description and diagram of the identity, design, and location of the components of the antitheft device for the Acura Integra vehicle line. Honda stated that its MY 2023 Acura Integra vehicle line will be installed with an engine immobilizer device as standard equipment, as required by 543.6(a)(1). Honda stated that it will offer a "smart entry remote" (keyless key) system on its vehicle line. Honda also stated that the Acura Integra vehicle line will offer two types of remotes, one with remote engine start and one without remote start. Key components of the antitheft system will include a passive immobilizer, "smart entry" remote, powertrain control module (PCM), and body control module (BCM). Honda further stated that its vehicle line will be installed with a vehicle security alarm system as standard equipment which will activate a visible and audible alarm whenever unauthorized access is attempted.

<sup>&</sup>lt;sup>5</sup> 49 CFR 543.6(a)(5).

<sup>&</sup>lt;sup>6</sup> 49 CFR 512.20(a).

Pursuant to Section 543.6(a)(3), Honda explained that its "smart entry and start" system is part of the normal operation of the ignition key and activates automatically when the ignition switch is in the "OFF" position. Honda further explained that if a smart entry remote without a matching code is within operating range and the engine start/stop button is pressed, the PCM will prevent fueling of the engine and the engine will be inoperable. Honda also stated that the immobilizer system is deactivated when a valid smart entry remote and matching codes are verified, allowing the engine to continue normal operations. Honda further stated that the security indicator flashes continuously when the immobilizer is activated, and turns off when it is deactivated.

Honda stated that the audible and visible vehicle security alarm system installed on its

Acura Integra vehicles will monitor any attempts of unauthorized entry and attract attention to an
unauthorized person attempting to enter its vehicles without the use of a "smart entry" remote or
its built-in mechanical door key. Specifically, Honda stated that whenever an attempt is made to
open one of its vehicle doors, hood or trunk without using the "smart entry" remote or turning a
key in the key cylinder to disarm the vehicle, the vehicle's horn will sound and its lights will
flash. Honda stated that its vehicle security system is activated when all of the doors are locked
and the hood and trunk are closed and locked. Honda further stated that its vehicle security
system is deactivated by using the key fob buttons to unlock the vehicle doors or having the
"smart entry" remote within operating range when the operator grabs either of the vehicle's front
door handles.

Honda also stated that in addition to the standard security system on all 2023 MY Acura Integra models, additional security features include counterfeit resistant vehicle identification number (VIN) plates, secondary VINs, a hood release located inside the vehicle, and its smart entry remote will utilize rolling codes for the lock and unlock functions of its vehicles.

As required in section 543.6(a)(3)(v), Honda provided information on the reliability and durability of its proposed device. To ensure reliability and durability of the device, Honda

provided a list of requirements for the characteristics and durability testing along with its results. Honda stated that its device does not require the presence of a "smart entry" remote battery to function nor does it have any moving parts (i.e., the PCM, BCM, "smart entry" remote and the corresponding electrical components found within its own housing units), which it believes reduces the chance for deterioration and wear from normal use.

Honda believes that installation of the antitheft immobilizer device as standard equipment reduces the vehicle theft rate by making conventional methods of theft obsolete, i.e., punching out the steering column or hot-wiring the ignition. Additionally, Honda stated that although its Acura Integra vehicle line was previously discontinued, its proposed immobilizer system is generationally different in design and function from the immobilizer system that was installed on the MY 2000 Acura Integra. Honda referenced the Highway Loss Data Institute's (HLDI) information for certain applicable years for the Acura TLX's theft rate data, as theft rate data for the MY 2023 Acura Integra is not available at this time. In accordance with 49 CFR 543.6(a)(5), Honda stated that the Acura TLX and Acura Integra are similar in such that they both occupy the entry level luxury passenger vehicle market and are equipped in comparable configurations. In addition, Honda stated that the immobilizer system in the MY 2023 Acura Integra is similar in design and function to the immobilizer system installed in the Acura TLX. Honda further stated that data for the Acura TLX shows a low theft rate and has been consistent over various years. Honda stated that the immobilizer on its proposed vehicle will be no less effective than similar designed immobilizer systems applied to the MY 2014 Honda Civic, MY 2015 Honda Accord or the MY 2020 Acura TLX, all of which have been granted exemptions by the agency.

## III. Decision to Grant the Petition

Pursuant to 49 U.S.C. 33106 and 49 CFR 543.8(b), the agency grants a petition for exemption from the parts-marking requirements of part 541, either in whole or in part, if it determines that, based upon substantial evidence, the standard equipment antitheft device is likely to be as effective in reducing and deterring motor vehicle theft as compliance with the

parts-marking requirements of part 541. The agency finds that Honda has provided adequate reasons for its belief that the antitheft device for its vehicle line is likely to be as effective in reducing and deterring motor vehicle theft as compliance with the parts-marking requirements of the theft prevention standard. This conclusion is based on the information Honda provided about its antitheft device. NHTSA believes, based on Honda's supporting evidence, the antitheft device described for its vehicle line is likely to be as effective in reducing and deterring motor vehicle theft as compliance with the parts-marking requirements of the theft prevention standard.

The agency concludes that Honda's antitheft device will provide the five types of performance features listed in section 543.6(a)(3): promoting activation; attracting attention to the efforts of unauthorized persons to enter or operate a vehicle by means other than a key; preventing defeat or circumvention of the device by unauthorized persons; preventing operation of the vehicle by unauthorized entrants; and ensuring the reliability and durability of the device.

The agency notes that 49 CFR part 541, Appendix A-1, identifies those lines that are exempted from the theft prevention standard for a given model year. 49 CFR 543.8(f) contains publication requirements incident to the disposition of all part 543 petitions. Advanced listing, including the release of future product nameplates, the beginning model year for which the petition is granted and a general description of the antitheft device is necessary in order to notify law enforcement agencies of new vehicle lines exempted from the parts-marking requirements of the theft prevention standard.

If Honda decides not to use the exemption for its requested vehicle line, the manufacturer must formally notify the agency. If such a decision is made, the line must be fully marked as required by 49 CFR 541.5 and 541.6 (marking of major component parts and replacement parts).

NHTSA notes that if Honda wishes in the future to modify the device on which this exemption is based, the company may have to submit a petition to modify the exemption.

Section 543.8(d) states that a part 543 exemption applies only to vehicles that belong to a line exempted under this part and equipped with the antitheft device on which the line's exemption is

based. Further, section 543.10(c)(2) provides for the submission of petitions "to modify an

exemption to permit the use of an antitheft device similar to but differing from the one specified

in the exemption."

The agency wishes to minimize the administrative burden that section 543.10(c)(2) could

place on exempted vehicle manufacturers and itself. The agency did not intend in drafting part

543 to require the submission of a modification petition for every change to the components or

design of an antitheft device. The significance of many such changes could be de minimis.

Therefore, NHTSA suggests that if Honda contemplates making any changes, the effects of

which might be characterized as de minimis, it should consult the agency before preparing and

submitting a petition to modify.

For the foregoing reasons, the agency hereby grants in full Honda's petition for

exemption for the Acura Integra vehicle line from the parts-marking requirements of 49 CFR

part 541, beginning with its MY 2023 vehicles.

Issued under authority delegated in 49 CFR 1.95 and 501.8.

Raymond R. Posten,

Associate Administrator for Rulemaking.

**BILLING CODE: 4910-59-P** 

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